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STATE OF WISCONSIN

BEFORE THE ACCOUNTING EXAMINING BOARD

IN THE MATTER OF THE DISCIPLINARY

PROCEEDINGS AGAINST

STEPHEN I. DERFEL

RESPONDENT.

FINAL DECISION AND ORDER

94 ACC 001

LS9912032ACCREB

The parties to this action for the purpose of Wis. Stats. sec. 227.53 are:

Stephen I. Derfel
216 Green Bay Rd. #205
Thiensville, WI 53092

Wisconsin Accounting Examining Board
P.O. Box 8935
Madison, WI 53708-8935

Department of Regulation and Licensing
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Board . The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following:

FINDINGS OF FACT

1. **Stephen I. Derfel** ("Derfel"), date of birth 7/04/40, received his certified public accountant certificate and license to practice as a Certified Public Accountant on or about January 31, 1970. His license # is 001 0003639. Derfel's license expired on January 1, 1996, and was not renewed until August 19, 1999. Derfel's most recent address on file with the Department of Regulation and Licensing is, 216 N Green Bay Rd. #205, Thiensville, WI 53092.

2. On or about July 12, 1996, Betsy Wood an investigator with the Department of Regulation and Licensing, Division of Enforcement, went to Derfel's office building located at 216 N Green Bay Rd. Thiensville, WI. The purpose of the visit was to investigate alleged unlicensed activity by Derfel. While there Wood photographed the outside and inside office directory. The inside directory shows Derfel's name with the letters CPA after it. The outside directory shows Derfel's name with Certified Public Accountant after it. Copies of the photographs taken July 12, 1996, are attached as **Exhibit 1** and are incorporated herein by reference.

3. By letter dated September 16, 1996, Investigator Wood notified Derfel that his Certified Public Accountant license had expired and enclosed a renewal form with the letter. A copy of Investigator Betsy Wood's September 16, 1996, letter is attached as **Exhibit 2** and are incorporated herein by reference.

4. Derfel's application for renewal was received by the Department of Regulation and Licensing on October 2, 1996.

5. On or about November 14, 1996, the Department of Regulation and Licensing notified Derfel, by certified mail, that his request for renewal for his Certified Public Accountant license had been denied. The reason for the denial was due to the determination that Derfel was liable for delinquent taxes in the amount of \$45,130.71. A copy of the Notice of Denial: Renewal Application with attachments dated November 14, 1996, is attached as **Exhibit 3** and is incorporated herein by reference.

6. By letter dated July 18, 1997, Investigator Wood notified Derfel that he needed to immediately cease claiming CPA status in his advertising, office signage, and correspondence. A copy of Betsy Wood's July 18, 1997, letter is attached as **Exhibit 4** and is incorporated herein by reference.

7. On or about August 25, 1997, Investigator Wood spoke with Derfel at his office in Thiensville. By letter dated August 25, 1997, Wood confirmed the subject of that conversation in which Derfel agreed to immediately cease using the title of CPA. A copy of Investigator Wood's August 25, 1997, letter is attached as **Exhibit 5** and is incorporated herein by reference.

8. On or about September 11, 1997, Investigator Wood went to Derfel's office building located at 216 N Green Bay Rd. Thiensville, WI. While there Wood photographed the outside and inside office directory. The inside directory shows Derfel's name with the letters CPA after it. The outside directory shows Derfel's name with Certified Public Accountant under it. Copies of the photographs taken September 11, 1997, are attached as **Exhibit 6** and are incorporated herein by reference.

9. On or about December 2, 1997, Investigator Wood again went to Derfel's office building located at 216 N Green Bay Rd. Thiensville, WI. While there Wood photographed the outside and inside office directory. The inside directory shows Derfel's name with the letters CPA after it. The outside directory shows Derfel's name but the title of Certified Public Accountant had been removed. Copies of the photographs taken December 2, 1997, are attached as **Exhibit 7** and are incorporated herein by reference.

10. On or about April 15, 1998, Investigator Wood again went to Derfel's office building located at 216 N Green Bay Rd. Thiensville, WI. While there Wood photographed the inside office directory and Derfel's office door. The inside directory showed Derfel's name followed by CPA. The inside office door showed Derfel's name listed as Certified Public Accountant. Wood spoke to Derfel on April 15, 1998, and he indicated to her that he was working on making arrangements with the Department of Revenue to pay his back taxes. Copies of the photographs taken April 15, 1998, are attached as **Exhibit 8** and are incorporated herein by reference.

11. On or about May 12, 1999, Investigator Wood again went to Derfel's office building located at 216 N Green Bay Rd. Thiensville, WI. While there Wood photographed the inside office directory and Derfel's inside office door. The inside directory had Derfel's name followed by CPA. The inside office door showed Certified Public Accountant under Derfel's name. Copies of the photographs taken May 12, 1999, are attached as **Exhibit 9** and are incorporated herein by reference.

12. During the time his license was expired Derfel listed his name in various telephone books using the CPA title, as follows:

a. The 1996 Ameritech yellow pages for Cedarburg, WI. shows Derfel's name listed under the heading of "Accountants - Certified Public".

b. The 1997/1998 Ameritech yellow pages for Cedarburg, WI lists Derfel's name under the heading of "Accountants-Certified Public".

c. The 1997/1998 Ameritech white pages for Cedarburg, WI lists Derfel's name as "Derfel, Stephen I, cert pub acctnt".

d. The 1999 Ameritech yellow pages for Milwaukee, WI., shows Derfel's name listed under the heading of "Accountants - Certified Public (Cont'd)".

A Copy of the 1996 Ameritech Cedarburg yellow pages pertaining to Derfel is attached as **Exhibit 10** and is incorporated herein by reference. A copy of the 1997/1998 Ameritech Cedarburg yellow pages pertaining to Derfel is attached as **Exhibit 11** and is incorporated herein by reference. A copy of the 1997/1998 Ameritech Cedarburg white pages pertaining to Derfel is attached as **Exhibit 12** and is incorporated herein by reference. A copy of the 1999 Ameritech Milwaukee yellow pages pertaining to Derfel is attached as **Exhibit 13** and is incorporated herein by reference.

13. In July of 1999, Derfel requested that the Department of Regulation and Licensing renew his Certified Public Accountant's license. With approval of the Wisconsin Department of Revenue, the Department of Regulation and Licensing renewed Derfel's license on August 19, 1999, effective through December 31, 1999.

CONCLUSIONS OF LAW

1. The Wisconsin Accounting Examining Board has jurisdiction to act in this matter pursuant to Wis. Stats. sec. 442.12.
2. The Wisconsin Accounting Examining Board is authorized to enter into the attached Stipulation pursuant to Wis. Stats. sec. 227.44(5).
3. Respondent **Stephen I. Derfel** has violated:
 - a. Wis. Stats. sec. 442.03(1) and Wis. Stats. sec. 442.07(2) by practicing as a Certified Public Accountant within the meaning of Wis. Stats. sec. 442.02(1) and 442.02(2) from January 1, 1996, through August 18, 1999, without having a valid Wisconsin Certified Public Accountant license.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that the attached Stipulation is hereby accepted.

IT IS FURTHER ORDERED, that Respondent **Stephen I. Derfel**, license #001 0003639, be, and hereby is, **REPRIMANDED**.

IT IS FURTHER ORDERED, that Respondent **Stephen I. Derfel**, pay **PARTIAL COSTS** in this matter in the amount of a \$150.00, within 30 days of the date of this Order by making payment of the same to the Department of Regulation and Licensing, P.O. Box 8935, Madison, WI 53708-8935.

IT IS FURTHER ORDERED, that in the event Respondent **Stephen I. Derfel** fails to pay the \$150.00 partial costs within the time and in the manner as set forth above, then and in that event, and without further notice to the Respondent **Stephen I. Derfel**, his Certified Public Accountant's license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until the full amount of said partial costs have been paid to the Department of Regulation and Licensing and his failure to pay the partial costs shall be considered a violation of this Order by the Board.

IT IS FURTHER ORDERED, that file 94 ACC 001 be, and hereby is, CLOSED.

Dated this 3rd day of December, 1999.

WISCONSIN ACCOUNTING EXAMINING BOARD

By: Frank Probst

A member of the Board

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